NEWS RELEASE

Matrix Announces the Successful Sale of American Producers Supply Co., Inc.

RICHMOND, VA / BALTIMORE, MD – August 10, 2023 – Matrix Capital Markets Group, Inc. ("Matrix"), a leading, independent investment bank, is pleased to announce the recapitalization of American Producers Supply Co., Inc. ("American Producers", "APS" or the "Company"), a leading value-added distributor of industrial and construction supplies, by Merit Capital Partners ("Merit"), a Chicago-based private equity firm with $2.2 billion under management. The transaction closed on July 19th.

APS traces its history back to 1898 in the Ohio Valley, when local entrepreneur Louis Goldish opened a small retail site, then known as American Supply, which sought to provide critical supplies to the surrounding economy. After several years, in an effort to expand its product categories and end markets, American Supply acquired Producers Industrial Supply to form what is now known as APS. From that original single retail site, Marietta, OH-based American Producers has now grown to 13 branch locations spanning Ohio, West Virginia, Kentucky, Pennsylvania, Michigan, and Indiana. The Company represents blue chip industrial and construction vendors, including 3M, Milwaukee, Stanley Black & Decker, Generac, Ridge Tool, and Werner, among numerous others.

Since 1963, the Company has been owned by a single family, with the latest generation of ownership led by Chris Brunton. In 2010, Mr. Brunton brought Joe Wesel on board, a seasoned executive with decades of distribution experience in national organizations, marketing groups and buying groups. Mr. Wesel's tenure has resulted in significant growth for the Company in nearly every aspect, including several new branch locations, the optimization of distribution and routing, the introduction of e-commerce operations, as well as the addition of hundreds of new customers. Mr. Wesel's leadership has also seen expansion in APS's presence within its competitive landscape. In an effort to support additional growth being driven by customer demand, Mr. Brunton and Mr. Wesel have chosen to partner with Merit in a recapitalization of the Company.

Regarding the transaction, Mr. Wesel, who will now assume the title of President and CEO, commented, "We are excited to be partnering with Merit to execute on the Company's next phase of growth. We have an exceptional group of associates at APS that have helped us earn the trust of many of the top vendor and customer partners in our marketplace. Our transaction with Merit will allow us to continue to serve all of these stakeholders with the outstanding service levels that they've come to expect from American Producers."

Both Mr. Brunton and Mr. Wesel will maintain a meaningful portion of ownership in APS. American Producers has a specific targeted acquisition plan to continue to grow the Company beyond its existing 13 locations that provide delivery throughout the Midwest from Michigan to Alabama.

Matrix provided merger and acquisition advisory services to American Producers, which included valuation advisory, marketing the business through a confidential, structured sale process, and negotiation of the transaction. The transaction was managed by William O'Flaherty, Managing Director; David Shoulders, Managing Director and Head of Matrix's Consumer & Industrial Investment Banking Group; Matt Oldhouser, CPA, Senior Associate; Sahan Pandey, Senior Analyst; and Hampton Massie, Analyst.

Regarding Matrix's services, Mr. Wesel added, "The Matrix team was exceptional throughout this process. They achieved every objective we set out to accomplish and did so with a level of expertise and professionalism that was remarkable. The entire APS family thanks them for their efforts."

Mr. O'Flaherty noted, "We were honored to receive this important mandate and are very excited to see the Company continue to thrive with this new partnership. Joe's stewardship of this century-old business has been nothing short of remarkable. We know the financial and operational support that Merit will provide will enable APS to continue on its present impressive trajectory and provide a number of opportunities for the American Producers organization."

John Selbach and Clarke Bonney of Whiteford, Taylor & Preston L.L.P. served as legal counsel for American Producers. David Tenney of Tenney & Associates and Jeff Hawkins of Carr, Riggs & Ingram, LLC provided tax and accounting advisory services to the Company.

About Matrix Capital Markets Group, Inc.
Founded in 1988, Matrix Capital Markets Group, Inc. is an independent, advisory focused, privately-held investment bank headquartered in Richmond, VA, with additional offices in Baltimore, MD and New York, NY. Matrix provides merger & acquisition and financial advisory services for privately-held, private-equity owned, not-for-profit and publicly traded companies. Matrix's advisory services include company sales, recapitalizations, capital raises of debt & equity, corporate carve outs, special situations, management buyouts, corporate valuations and fairness opinions. Matrix serves clients in a wide range of industries, including automotive aftermarket, building products, car washes, consumer products, convenience retail, downstream energy, healthcare and industrial products. For additional information or to contact our team members, please visit www.matrixcmg.com.

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